

## Message Text

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ACTION NEA-10

INFO OCT-01 EA-12 ISO-00 EB-08 /031 W  
-----015122 081450Z /47

P 081226Z SEP 78

FM AMEMBASSY NEW DELHI

TO USDOC WASHDC PRIORITY

INFO SECSTATE WASHDC 3866

AMEMBASSY SINGAPORE PRIORITY

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

UNCLAS NEW DELHI 13706

E.O. 11652: N/A

TAGS: BEXP BPIO IN

SUBJECT: MAJOR PROJECT-IMPORT OF CNC, NC AND OTHER

SOPHISTICATED MACHINE TOOLS BY BHARAT HEAVY

ELECTRICAL LTD.,SPECIAL HANDLING

REF: (A) NEW DELHI 10635 (B) NEW DELHI 10242

1. REF (B) REPORTED A MAJOR TENDER INQUIRY FROM HEAVY  
ELECTRICAL EQUIPMENT PLANT OF BHARAT HEAVY ELECTRICALS  
LIMITED (BHEL) RANIPUR, HARDWAR 249403, UTTAR PRADESH  
FOR IMPORT OF 47 MACHINE TOOL ITEMS (CNC, NC AND  
OTHER SOPHISTICATED MACHINE TOOLS AND ALLIED  
EQUIPMENT). TOTAL VALUE OF EQUIPMENT IS IN EXCESS DOLS  
45 MILLION. ORIGINAL BID DEADLINES SET BETWEEN  
AGUST 9 AND 16 HAVE NOW BEEN EXTENDED TO THE DATES  
INDICATED BELOW:

A) T 81551 TO T 81554 OCTOBER 23, 1978

B) T 81555 TO T 81558 OCTOBER 24, 1978

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C) T 81559 TO T 81562 OCTOBER 25, 1978

D) T 81563 TO T 81566 OCTOBER 26, 1978

E) T 81567 TO T 81570 OCTOBER 27, 1978

F) T 81571 TO T 81574 OCTOBER 28, 1978

G) T 81575 TO T 81578 NOVEMBER 6, 1978

H) T 81579 TO T 81582 NOVEMBER 7, 1978

I) T 81583 TO T 81586 NOVEMBER 8, 1978

J) T 81587 TO T 81590 NOVEMBER 9, 1978

K) T 81591 TO T 81595 NOVEMBER 10, 1978

2. ON REF. B TENDER, US SUPPLIERS WILL FACE STIFF COMPETITION FROM WEST GERMAN FIRMS WHICH ALREADY HAVE MORE THAN 40 PERCENT SHARE OF THE MARKET, OTHER CONTENDERS WILL BE FROM JAPAN, U.K., SWITZERLAND FRANCE AND SWEDEN. JOHN BEYER, MANAGER, MACHINE TOOL ENGINEERING, FARREL COMPANY DIVISION, USM CORPORATION, ROCHESTER, NY. 14610 RECENTLY VISITED NEW DELHI IN CONNECTION WITH SUBMITTING QUOTATIONS FOR A CNC STUB BORING MACHINE FOR MACHINING OF STEAM TURBINE CASTINGS, AND CNC ENGINE LATHE FOR TURBINE SHAFTS (T 81551 AND T 81552 OF REF B).

3. PROSPECTS FOR FURTHER IMPORTS OF MACHINE TOOLS BY BHEL APPEAR GOOD. GOI HAS ASSIGNED HIGH PRIORITY FOR THE DEVELOPMENT OF ELECTRIC POWER IN INDIA. BHEL, UNCLASSIFIED

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A LEADING PUBLIC SECTOR CORPORATION IS INDIA'S LARGEST PRODUCER OF A WIDE RANGE OF EQUIPMENT REQUIRED FOR THE GENERATION, TRANSMISSION AND DISTRIBUTION OF THERMAL, HYDRO AND NUCLEAR POWER. IN THE NEXT THREE YEARS, BHEL PLANS TO INVEST MORE THAN DOLS 320 MILLION TO EXPAND, MODERNIZE AND DIVERSIFY ITS SIX MANUFACTURING FACILITIES AT BHOPAL, HYDERABAD, HARDWAR (TWO), TIRUCHIRAPALLI AND JHANSI.

4. ACCORDING TO BHEL OFFICIALS THE EXPANSION PLANS CALL FOR INVESTING ABOUT DOLS 150 MILLION ON SOPHISTICATED MACHINE TOOLS. A MAJOR PORTION OF THIS REQUIREMENT WILL BE MET FROM IMPORTS. IN ADDITION TO THE OPPORTUNITY REPORTED (REF B), FUTURE IMPORTS WILL BE MADE BY BHEL'S UNITS AT BHOPAL, HYDERABAD, HARDWAR AND TIRUCHIRAPALLI. EMBASSY AND THE CONSULATES GENERAL (BOMBAY AND MADRAS) WILL REPORT TENDER OPPORTUNITIES WHEN THEY BECOME AVAILABLE.

5. ACTION REQUESTED: IN VIEW OF THE SIGNIFICANCE OF THIS OPPORTUNITY IT IS REQUESTED THAT USDOC DISSEMINATE BHEL'S CURRENT AND FUTURE IMPORT REQUIREMENTS AMONG QUALIFIED

US SUPPLIERS OF MACHINE TOOLS. AMERICAN FIRMS SHOULD  
BE ADVISED TO BE IN TOUCH WITH FOLLOWING  
BHEL OFFICIALS REGARDING FUTURE REQUIREMENTS:

B.S. SUMANT  
EXECUTIVE DIRECTOR AND GROUP GENERAL MANAGER  
HEAVY ELECTRICAL PLANT, BHEL  
PIPLANI, BHOPAL 462022

M.R. NAIDU  
EXECUTIVE DIRECTOR AND GROUP GENERAL MANAGER  
BHARAT HEAVY ELECTRICALS LIMITED  
RAMACHANDRAPURAM  
HYDERABAD 500032  
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V.R. DEENADYALU  
EXECUTIVE DIRECTOR  
HIGH PRESSURE BOILER PLANT  
BHEL  
TIRUVERAMBUR, TIRUCHIRAPALLI  
TAMIL NADU 620014

P.S. GUPTA  
GENERAL MANGER (OPERATIONS)  
HEAVY ELECTRICAL EQUIPMENT PLANT  
BHEL  
RANIPUR, HARDWAR  
UTTAR PRADESH 249403

USDOC MAY ALSO BRING THIS OPPORTUNITY TO THE ATTENTION  
OF US PARTICIPANTS AT THE INTERNATIONAL MACHINE TOOL SHOW  
(SEPTEMBER 6-15) MCCORMICK PLACE, CHICAGO, ILLINOIS. AS SEVERAL  
LEADING INDIAN AGENTS, BUYERS AND MANUFACTURERS OF MACHINES  
TOOLS ARE CURRENTLY ATTENDING IMTS 78, US MACHINE TOOL  
COMPANIES MAY BE ABLE TO DISCUSS THIS MAJOR  
OPPORTUNITY WITH THEM.  
GOHEEN

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** IMPORTS, EXPORTS, MACHINE TOOL INDUSTRY  
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**Copy:** SINGLE  
**Draft Date:** 08 sep 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978NEWDE13706  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780366-0717  
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**Image Path:**  
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**Litigation Codes:**  
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**Message ID:** d83b1054-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 NEW DELHI 10635, 78 NEW DELHI 10242  
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**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1504166  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MAJOR PROJECT-IMPORT OF CNC, NC AND OTHER SOPHISTICATED MACHINE TOOLS BY BHARAT HEAVY ELECTRICAL LTD., SPECIAL HANDLING  
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**To:** COM  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
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